REMARKS

The July 8, 2003 Office Action has been carefully considered. The claim amendments above and the following comments are presented in a bona fide effort to address all issues raised in that Action and thereby place this case in condition for allowance. Prompt favorable reconsideration of the amended application is solicited.

Independent claims 25, 31, 33 and 42 have been amended to more clearly define the claimed subject matter over the patent applied in the latest art rejection, and the claims that depend there from have been amended to insure clarity and conformance to the revised language of the respective independent claims. Two new dependent claims (45 and 46) are presented to extend claim coverage, and Applicants have presented a new independent claim (47) to recast an allowable dependent claim in independent form. Care has been taken to avoid introduction of new matter. As discussed below, it is believed that all pending claims (25-47) are patentable and in condition for allowance, and prompt notice to that effect is respectfully requested.

A personal interview with the Examiner has been requested and is now scheduled for October 21, 2003. It is intended that Applicants' representatives will discuss the claims listed above, particularly claims 25 and 42, and the patentability of the claims as set forth below with the Examiner, during the personal interview. As such, this response provides a detailed written record of the claims and positions to be discussed in the interview.

Discussion of the issues raised in the Office Action will follow.

Applicants note with appreciation the indication that claim 31 would be allowable if recast in independent form. New claim 47 combines the language of the previous version of independent claim 25, intervening claim 27 and claim 31 into one new independent claim. Minor revisions have been made for clarity and consistency of terminology, but the scope of the new claim should

correspond to that of previous claim 31. Hence, new claim 47 should be in condition for immediate allowance.

The other issue presented in the Office Action relates to patentability of the other pending claims over an applied patent. In the January 27, 2003 Action, claims 25-30 and 32-44 were rejected under 35 U.S.C. §102 as anticipated by U.S. Patent No. 6,320,829 to Matsumoto et al. (hereinafter Matsumoto). It is respectfully submitted that the pending versions of those claims and new dependent claims 45 and 46 patentably distinguish over Matsumoto. Withdrawal of the rejection is solicited, for reasons discussed below.

Independent method claim 25 has been amended to specify that the contents data comprises a plurality of portions. As now recited in that claim, the embedded control information specifies predetermined filtering for a predetermined portion of the contents data. The steps of the claimed method include deciding how to execute the predetermined filtering for the predetermined portion of the contents data and responsive filtering of the predetermined portion of the contents data. The last step involves reproducing or distributing of the filtered contents data, with the filtered predetermined portion and at least one unfiltered portion. Similar amendments have been made to independent apparatus claim 33 and independent product claim 38.

It is respectfully submitted that the Matsumoto patent does not fairly suggest deciding how to filter a predetermined portion based on extracted control information, filtering that portion accordingly and outputting the filtered portion and an unfiltered portion of one set of contents data (the plurality of portions of the data). Matsumoto only discloses determining whether to allow or restrict reproducing/copying based on a combination of watermark information and copy control information. Although there are different levels used to make the yes/no decision, if the decision is to allow copying, the system outputs the contents (see e.g. column 4, lines 7-25). If the decision is

to prevent copying, there is no output of the contents (see e.g. column 4, lines 35-61). As such, Matsumoto makes an all or nothing decision to allow or restrict the contents output (see e.g. last sentence of the Abstract). Stated another way, Matsumoto either outputs unfiltered (unblocked) content, or Matsumoto blocks ("inhibits") output of the entire content. Matsumoto does not filter a portion and output the filtered portion and an unfiltered portion, as part of one output of the contents. Hence, Matsumoto does not disclose all aspects of independent claims 25, 33 and 38.

For at least this reason, claims 25, 33 and 38 and the claims that depend there from specify subject matter that is distinct from the applied Matsumoto patent. These claims are not anticipated, and the rejection thereof should be withdrawn.

Independent claim 42 distinguishes over Matsumoto by specifying processing of blocks of the contents data and output of both filtered contents data from at least one block and contents data of an unfiltered block. Specifically, the claim now recites that the contents data is from a content stream comprising a plurality of blocks of contents data. The claimed method includes a step of processing extracted control information to determine whether to apply filtering and identify at least one of the blocks of contents data to which filtering is to be applied. The independent claim then specifies filtering the contents data of the identified at least one block, that is to say of the block(s) identified by the processing of the extracted control information in the previously recited step. The final step relates to the reproducing or distributing of contents data from the blocks of the content stream, and this step specifically involves reproducing or distributing the filtered contents data and contents data of one or more unfiltered blocks.

As noted above, Matsumoto either outputs an unfiltered (unblocked) copy of the entire content, or Matsumoto blocks ("inhibits") output of the entire content. Matsumoto does not filter one or more identified blocks in a given content stream and reproduce or distribute a combination of

filtered contents data and contents data from unfiltered blocks of that one content stream. Hence, the applied patent does not meet all of the limitations of independent claim 42, and claims 42-46 are not anticipated by that document. The anticipation rejection therefore should be withdrawn with respect to those claims.

The dependent claims add further distinctions. For example, claim 43 specifically recites applying one of a plurality of filtering techniques based on the extracted content, and claim 45 focusing on processing of macroblocks of an MPEG stream. It is not seen where Matsumoto discloses selective application of one of a plurality of filtering techniques or output of contents from a filtered MPEG macroblock and contents from an unfiltered MPEG macroblock.

In the first Office Action (January 27, 2003), the Examiner indicated that original claim 8 would be allowable if recast in independent form. Claim 41 is a method claim intended to correspond to original claim 8 combined with original independent claim 1 and original intervening claim 44. Hence, it is believed that the new version (41) substantially preserves the allowable scope of original dependent claim 8. Also, claim 41 includes a limitation somewhat similar to that of allowable claim 31. Specifically, claim 41 includes a step of comparing the maximum number of times the contents may be replayed, as specified in the level information included in the detected control information, to the number of times a contents user has replayed the contents from the electronic data, in order to determine whether to apply filtering. Then, if the comparing step results in a determination to apply filtering, the method involves applying the predetermined filtering specified by the control information to specific parts of the contents. It is not seen where Matsumoto teaches this comparison and responsive control of filtering, based on number of replays, and the rejection does not identify any relevant teaching on this point in the Matsumoto patent. It is

therefore submitted that claim 41 patentably distinguishes over the applied patent, the rejection thereof is improper, and the rejection should be promptly withdrawn.

For the reasons outlined above, all of the pending claims (25-47) distinguish over the applied documents and therefore should be in condition for allowance. Prompt favorable reconsideration and issuance of a notice of allowability of all of the pending claims are earnestly solicited.

To the extent necessary, a petition for an extension of time under 37 C.F.R. 1.136 is hereby made. Please charge any shortage in fees due in connection with the filing of this paper, including extension of time fees, to Deposit Account 500417 and please credit any excess fees to such deposit account.

Respectfully submitted,

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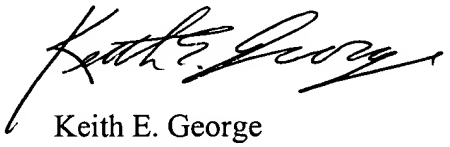

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